

**Rep. Hank Vaupel (District 47)**

---

**From:** State Policy Team <state@atr.org>  
**Sent:** Tuesday, March 13, 2018 12:33 PM  
**Subject:** ATR Urges You to Oppose HB 5223  
**Attachments:** ATR Letter MI .pdf

March 13, 2018

To: Members of the Michigan House Health Policy Committee

From: Americans for Tax Reform

Re: Oppose House Bill 5223

Dear Representative,

On behalf of Americans for Tax Reform (ATR) and our supporters across Michigan, I urge you to oppose House Bill 5223, which would burden pharmaceutical manufacturers with onerous regulatory requirements and force them to disclose proprietary information. If implemented, this misguided bill, which is the first step towards a price control, would do nothing to help patients afford their medication. Rather, it would result in a number of other negative consequences for Michiganders.

Currently in the United States, it costs around \$2.6 billion and takes approximately 10 years – which includes the six to seven year clinical trial process the Food and Drug Administration (FDA) requires for drug approval – for a new drug to enter the market. Given this long and expensive process, it is unsurprising that just 12 percent of drugs that begin preclinical testing make it the market.

While intentions for HB 5223 may be good, piling on more red tape at the state level would ultimately leave consumers with even fewer, lower quality choices. Higher compliance costs and smaller profits would make it even harder for existing drug manufactures to finance the next generation of life-saving and life-improving medicine. Similarly, it would also make it more difficult for new manufactures to successfully enter the market.

Buttressing this point is experience from countries with a more heavy-handed approach to health care policy, which has demonstrated government intervention neither lowered costs nor increased access. Rather, it stifled development, created shortages, and ultimately led to fewer choices for consumers and patients.

The best thing state lawmakers can do to mitigate rising healthcare costs is embrace free market solutions, which promote the competition that spurs innovation, improves quality, increases the number of available options, and naturally keeps prices low. As such, ATR urges you to reject HB 5223.

ATR will be educating Michigan taxpayers as to how state legislators vote on this and other important tax, regulatory, and economic matters during the 2018 legislative session. If you have any questions, or if ATR can be of assistance, don't hesitate to contact me or Margaret Mire, ATR's state affairs manager, at mmire@atr.org or 202-785-0266.

Sincerely,



Grover Norquist  
President  
Americans for Tax Reform